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1 Q. And on the engineering side, how was that being
2 used?

3 A. For capital deployment.

4 Q. Can you explain that a little more, at least
5 your understanding of it?

6 A. What they were really interested in is, you look
7 at these forecasts, how much will be new demand, how much
8 will be existing migration or roll-over from retail
9 service, so they need to develop their capital budgets,
10 how many dollars are they going to need to expand our
11 network.

12 They also use this for switch sizing, those
13 types of things. So it was actually used -- it's not used
14 as a stand-alone document. This is added to their overall
15 state, Pacific Bell total planning process; it was just an
16 overlay.

17 Q. Does Exhibit 12 break out, say, new installs,
18 from simple migrations of existing Pacific customers?

19 A. This -- on this document, no.

20 Q. Did you have another document that was prepared
21 at or about the same time that did that?

22 A. We used an assumption. It was a -- we used two
23 different assumptions, one for consumer and one for
24 business, and they took those assumptions and used them in
25 their planning process.

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1 Q. Do you know how those assumptions were
2 developed?

3 A. Educated guesses.

4 Q. And that was to try to refine these numbers,
5 which are aggregations, and refine these numbers, such
6 that create a subset where part of the numbers shown here
7 would be new installs and part would be simple migrations;
8 is that right?

9 A. Correct.

10 Q. Do you remember what the assumptions were?

11 A. I believe for, let's see, consumer, it was 98
12 percent migration, 2 percent new installs; for business,
13 it was 95 percent migration, 5 percent new installs.

14 Q. And just so I am clear, Exhibit 12 is a two-page
15 document and on the second page, it shows the months of
16 January, February and March of 1997. And am I correct to
17 understand that there is a document that goes beyond that,
18 but this was created and produced pursuant to a discussion
19 among counsel as to the appropriate time period for the
20 forecasts?

21 A. Correct.

22 Q. And another difference between Exhibit 12 and
23 Exhibit 11 is that Exhibit 12 has broken down, by month,
24 the in-service resale lines; is that right?

25 A. Yes.
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1 Q. And these numbers are cumulative; is that not
2 correct?

3 A. Correct.

4 Q. And you would agree that these numbers do not
5 tell you precisely what order volume Pacific should expect

6 in any particular month?

7 A. Correct. No, it does not.

8 Q. And then, at some point thereafter -- what
9 happened next, after the preparation and distribution of
10 this forecast, in connection with your attempts to
11 forecast volumes?

12 (Discussion between counsel and
13 witness.)

14 MR. KOLTO-WININGER: Can we take a break in a
15 few minutes?

16 MR. McDONALD: Do you want to take a break now
17 or --

18 MR. KOLTO-WININGER: Yeah, just for two minutes.
19 (Recess taken.)

20 MR. McDONALD: Q. I think I was asking you
21 about the differences between Exhibit 12 and Exhibit 11,
22 and the different inputs that went into Exhibit 12 versus
23 Exhibit 11.

24 As I understood, you identified -- there were
25 two differences that you identified in your testimony, is
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1 that right, in terms of a lack of actuals, migration
2 orders, and discussions with other people at Pacific Bell
3 assessing likely CLC activity?

4 A. Right. Since we didn't have any formal input or
5 documentations for the CLC, one thing we tried to do is
6 get -- talk to the people who talked to the CLC's about
7 their order activity, how are their test orders going, try

8 to get some informal knowledge.

9 MR. McDONALD: Off the record.

10 (Discussion off the record.)

11 MR. McDONALD: Q. Now, Exhibit 12 at the top,

12 the title is different from what's shown on Exhibit 11.

13 It says, "Resale, slash, LISA, L-I-S-A, Trunk," all caps.

14 What does that stand for?

15 A. Local Interconnection Service Area Trunks.

16 Q. Let's just focus on the 1996 year. Were the

17 reductions in the various components of the resale access

18 lines equivalent among the various elements or -- I

19 haven't tried to do the math, but was there a standard

20 percentage applied, or how did you come up with --

21 A. No, there was no standard percentage. We just

22 reduced the loss -- the percentage of loss off of

23 in-service retail.

24 Q. Can you explain what you mean by that?

25 A. Our initial forecast, we assumed certain
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1 percentage loss of our retail installed base. So we just

2 decreased that percentage, so there was no -- between the

3 first forecast and the second forecast, there was no

4 equivalent decrease in retail loss.

5 Q. So going back to Exhibit 11, that was the

6 various components there, consumer, basic business,

7 Centrex lines, PBX trunks, am I correct to understand what

8 you attempted to do was to apply a percentage to your

9 existing retail lines and said -- anticipated we will lose

10 X percent -- maybe a different percentage in each of these

11 different --

12 A. Correct.

13 Q. While the consumer may be X percent, basic
14 business may be Y percent?

15 A. Right.

16 Q. And just doing that mathematical calculation,
17 that's what produced the numbers that are shown on Exhibit
18 11?

19 A. Right.

20 Q. And then, when you got to exhibit -- going to
21 Exhibit 12, the Revision B --

22 MR. KOLTO-WININGER: I need to ask her a quick
23 question.

24 MR. McDONALD: Sure.

25 (Discussion between counsel and
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1 witness.)

2 MR. McDONALD: Back on the record.

3 Q. What I was trying to next focus on was the
4 calculation for -- that's set forth in Exhibit 12.

5 Am I correct to understand that the way you did,
6 at least the year-end figures, was, you simply adjusted
7 the percentage that was applied to Pacific's total retail
8 figures for each of the various elements?

9 A. Yes.

10 Q. And so some reduction -- they weren't
11 equivalent; is that correct? So consumer may have seen a
12 greater or lesser decrease than basic business?

13 A. Correct.

14 Q. I haven't done the math, but it looks to me as
15 if business decreased more than consumer, is that right,
16 as a percentage?

17 A. Well, as a percentage.

18 MR. KOLTO-WININGER: It's pretty close.

19 MR. ETTINGER: Looks pretty close.

20 MR. McDONALD: Q. Okay. You are not sure?

21 A. I am not sure.

22 MR. KOLTO-WININGER: I think you are right, that
23 it decreased slightly more than consumer.

24 MR. McDONALD: Q. In coming up with these
25 differences, do you recall what was considered to
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1 distinguish the consumer from the basic business, from the
2 Centrex, from the PBX?

3 A. One of our assumptions into, actually, both of
4 these forecasts, was that the CLC's would target the
5 business market more than the consumer market, because the
6 margins are a lot higher. Business lines are more
7 profitable than consumer lines.

8 Q. And after Exhibit 12 was prepared, what happened
9 next?

10 A. The same process that happened before. We would
11 meet every month, look at any actuals that would come in
12 or any activity relating to the local market, continually
13 trying to track actuals or activity in the market to our
14 forecast. And continually look at other assumptions, was
15 this happening, was that happening, or not happening, as

16 the case may be. It would be the same process.

17 Q. In between the time Exhibit 12 was issued and
18 the time Exhibit 13, which is marked in the upper
19 right-hand corner, "Revision C," with a date of August 1,
20 1996; is that right?

21 A. Yeah.

22 Q. In between that -- those periods of time, did
23 the team change at all, membership of the team?

24 A. No. The team stayed very constant throughout
25 1996.
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1 Q. And you were not the leader of the team at that
2 time; is that right?

3 A. No. .

4 Q. Well, after the distribution of Exhibit 12, did
5 you receive any feedback from anyone within Pacific Bell?

6 A. The only feedback I can really remember is, you
7 know, wanting to know why the numbers had changed and why
8 had they dropped, and just -- I communicated back to
9 whoever asked, the same reason that I told you here today.

10 Q. Do you remember who that inquiry came from?

11 A. Well, I know my vice president likes to know the
12 reasons for the changes in the forecast. When she is
13 asked, she can communicate that. But usually, anyone
14 passing in the hallway or, you know, I can't really
15 remember the names.

16 Q. Was this forecast discussed, I am talking about
17 the one marked Exhibit 12? Was that discussed with a

18 variety -- did you discuss it with a variety of people

19 after it was issued?

20 A. It goes on the same distribution as the prior

21 forecast, so it would go out to, you know, the network

22 engineers, switch engineering. It would go to network

23 deployment, financial types, so it's sent to the same

24 team -- group of people.

25 Q. And would those recipients, did any of them
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1 communicate to you after receiving Exhibit 12?

2 A. Probably, yes. I can't remember specific names

3 or -- but they would, you know, have people call and ask,

4 why did this change or those types of questions.

5 Q. Did anyone who was responsible for planning for

6 the LISC capacity, in terms of staffing systems or

7 processes, discuss this forecast with you?

8 A. Yes.

9 Q. And who was that?

10 A. Robert Hough.

11 Q. Do you remember when you discussed this with

12 him?

13 A. No, but Robert also sits in on these forecast

14 planning sessions.

15 Q. And what was the substance of your discussions

16 with him regarding the revised forecast?

17 A. Just the reasons why the forecast should be

18 decreased.

19 Q. And he was asking you to explain the reasons why

20 the forecasts would be decreased?

21 A. No. He also sits in on the meetings, so -- I
22 mean, when the whole group is discussing assumptions and
23 all of that, so he knows -- he knows all the reasons and
24 what's happening in the local market.

25 Q. Did he discuss with you plans for staffing at
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1 the LISC?

2 A. No.

3 Q. Did he, or anyone else, discuss with you plans
4 for setting up systems or processes at the LISC?

5 A. No.

6 Q. You had no discussions, at least in connection
7 with Exhibit 12, with plans for determining what volume of
8 orders the LISC could handle?

9 A. No, I am not involved in that at all.

10 Q. Do you know who is involved in that?

11 A. I know Robert Hough takes the forecast and works
12 on the staffing size.

13 Q. Do you know anybody else who uses this to -- or
14 who did use it to plan for LISC operations?

15 A. I believe it was Jerry Sinn, Jeff Phelps.

16 Q. Do you know what they did with it?

17 A. No.

18 Q. Am I correct to understand that, on or about
19 August 1, 1996, the team issued a revised forecast, that's
20 identified as Revision C, and it's been marked Exhibit 13
21 here?

22 A. Yes.

23 Q. Can you describe what new inputs the team
24 considered to have come up in this revised forecast?

25 A. Well, it would be the same information that went
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1 into the revision B, talking with the people in the LISC
2 about order volumes, how many orders are coming in. Are
3 they test orders, are they live orders. Have you talked
4 with each of the individual CLC's, what is their plans for
5 issuing orders. You know, are they system ready, you
6 know, are they having problems themselves. Maybe the same
7 type of information, and that same type of information
8 that went into 12, went into 13.

9 Q. And am I correct to understand that the
10 aggregate numbers for year-end 1996, again, dropped
11 significantly between the forecast in Exhibit 12 and the
12 forecast in Exhibit 13?

13 A. Yes.

14 Q. Let me make sure I understand. I think you had
15 earlier testified that the numbers going across the rows
16 horizontally are cumulative?

17 A. Yes.

18 Q. Can you look at the basic business entries?

19 A. Uhm-hum.

20 Q. Can you explain, without identifying the
21 specific numbers, how the December number makes sense
22 relative to the November and October numbers?

23 MR. KOLTO-WININGER: Given that they are
24 cumulative.

25 THE WITNESS: I never noticed that. That must

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1 be an error.

2 MR. McDONALD: Q. Okay.

3 A. Typo.

4 Q. Now, is it your testimony that what's been

5 marked Exhibit 13 is what was distributed within Pacific

6 Bell, other than the fact that the post-March 1997

7 information is omitted?

8 A. Say that again.

9 MR. KOLTO-WININGER: She is still going over the

10 numbers.

11 MR. McDONALD: I'm sorry.

12 MR. KOLTO-WININGER: Why don't you look at that

13 for a minute and then we will read back the question to

14 you?

15 THE WITNESS: I think I know what happened.

16 MR. KOLTO-WININGER: Off the record.

17 MR. McDONALD: Let's stay on the record if you

18 are going to explain.

19 THE WITNESS: Yes, I do remember someone

20 pointing out that error, and I corrected it because this

21 was a typo, and I saved it to another file. And when I

22 pulled these files up yesterday, and I saw the two had the

23 same dates on it, I guess I pulled up the wrong one. How

24 that -- it's just a typo.

25 MR. McDONALD: Q. But it's your best

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1 recollection that the aggregate numbers shown for year

2 1996 are the nation -- were distributed within Pacific

3 Bell on or about August 1, 1996, and used as a forecast?

4 A. Yes.

5 (Discussion between counsel and

6 witness.)

7 MR. ETtinger: Can we go off the record?

8 MR. KOLTO-WINinger: Sure.

9 (Discussion off the record.)

10 MR. McDONALD: Q. Actually, that would be

11 helpful. I think, as we have on the record just

12 discussed, I think we see there is a similar typographical

13 error in the row dealing with Centrex lines as well as PBX

14 trunks.

15 A. Correct.

16 Q. Is it your recollection that the error occurs in

17 the column dealing with 1996?

18 A. Yes.

19 Q. Just so I understand, this is not a spreadsheet

20 that automatically contains internal mathematical

21 calculations, so the various rows sum to the next right

22 most one?

23 A. No, not horizontally.

24 Q. When Revision C was first distributed within --

25 I'm sorry.

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1 (Discussion between counsel and

2 witness.)

3 MR. McDONALD: Off the record.

4 (Discussion off the record.)

5 MR. McDONALD: Back on the record.

6 Q. I think what we have agreed is that Pacific will
7 provide the correct Revision C --

8 A. Yes.

9 Q. -- subsequent to this deposition.

10 But just so I understand it, is it your
11 testimony that you do recall, when you first distributed
12 Revision C, that there had been simply a typographical
13 error, and someone within Pacific pointed that out to you?

14 A. Yes.

15 Q. And there was a revision made sometime in
16 August; is that a fair statement?

17 A. Yes.

18 Q. Now, did you describe for us what additional
19 inputs went into Revision C that caused the downward
20 revision? Have you described everything that went into
21 that?

22 A. Yes, those would be the same that went into
23 Revision B. Asking the LISC, you know, have you talked
24 with all the CLC's, how are all the test orders going.
25 Input I received is they were still having problems with
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1 their test orders, they were not ready to start issuing
2 live orders, and the ramp appears to me a lot slower than
3 was initially expected.

4 Q. Just to make sure I understand, at the bottom of
5 each of these Exhibits, 11 through 15, it shows Document
6 Controller, Laura Schwartz, and a phone number. Were you
7 the individual who actually prepared these documents?

8 A. Yes.

9 Q. At the time of Revision C, did the team have any
10 information about CLC forecasts of their own individual
11 resale orders?

12 A. No, I had not seen any.

13 Q. Do you know if any such forecasts had been
14 provided to Pacific at that time?

15 A. I believe not.

16 Q. So then, in between the time that Exhibit 13,
17 which is dated August 1, and Exhibit 14, which is denoted
18 as Revision D, as in dog, dated August 30th, 1996, what
19 occurred to cause the revision?

20 A. Well, for Revision C, consumer marketing had not
21 agreed to lower their numbers, but in Revision D, they
22 finally decided, well, there are no orders coming in, so
23 we should drop our forecast, or agree to drop it.
24 Business lines are the same in C as in D. It's only the
25 consumer that dropped.

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1 Q. So the sole differential between C and D was,
2 now, the consumer lines had been significantly reduced
3 from what they were in Exhibit 13 --

4 A. Correct.

5 Q. -- Revision C?

6 Now, when the team was going about preparing
7 these forecasts, did the team rely upon individual groups
8 like, as you just, I think, indicated, to develop the
9 appropriate numbers for their individual element within
10 the resale access lines so that, for example, the consumer

11 marketing group was responsible for coming up with the
12 consumer forecast figures?

13 A. It was to be all these numbers are jointly
14 agreed upon.

15 Q. But did individual representatives on the team
16 have primary responsibility for developing certain parts
17 of the forecast?

18 A. Well, like the consumer lines, consumer
19 marketing and industry marketing had to agree on the
20 level, and then for the business lines, business marketing
21 and industry marketing had to agree on the level of
22 numbers, so the consumer people would not have input into
23 the business lines.

24 Q. And did that mean that you personally didn't
25 have input to the consumer lines?

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1 A. No, I did.

2 Q. So you had input to both lines?

3 A. Yes.

4 Q. Let me make sure I understand. So on the
5 consumer side who had input, which groups?

6 A. Consumer marketing.

7 (Discussion between counsel and
8 witness.)

9 THE WITNESS: Consumer marketing.

10 MR. McDONALD: Q. Consumer marketing. Anyone
11 else?

12 A. No.

13 Q. Did you provide input as to the consumer

14 marketing figures?

15 A. Yes.

16 Q. And you are within industry markets?

17 A. Yes.

18 Q. And then on the business lines, who had input?

19 A. Business marketing.

20 Q. As well as you?

21 A. Yes.

22 Q. And who is the individual for business marketing

23 who participated on the team?

24 A. Bernie Atterbury.

25 Q. Can you spell the last name?

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1 A. A-t-t-e-r-b-u-r-y.

2 Q. And on the consumer marketing side, who was the

3 representative?

4 A. Christine Brear.

5 Q. Rear?

6 A. B-r-e-a-r, Brear.

7 Q. Now, in addition to those two individuals and

8 yourself, how many other people were on the team?

9 A. CFO, strategy, local competition groups.

10 Q. Were they represented by individuals?

11 A. Yes.

12 Q. And can you recall the names of each of the

13 people who were from these groups?

14 A. Let's see, CFO, Pat Pearson; strategy, Mike

15 Brossler.

16 Q. Can you spell that last name?

17 A. B-r-o-s-s-l-e-r.

18 Q. Who else was on the team?

19 A. Cathy Shelton, but -- and the person that works
20 for Cathy Shelton, Lupe Finch.

21 Q. Are they from local competition?

22 A. Yes.

23 Q. Did the representatives from the CFO strategy
24 and local competition groups have input into particular
25 line entries?

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1 A. Not specific input, no.

2 Q. Their participation was more, sort of an overall
3 looking at the end result?

4 A. Correct, also understanding the assumptions that
5 went into the forecast, for informational purposes.

6 Q. Following the Revision D, that's been marked
7 Exhibit 14, what occurred that caused Revision E, that's
8 been marked Exhibit 15, and it's dated November 6th, 1996?

9 A. Same type of information. There we were sitting
10 at the beginning of November, with only limited orders for
11 resale coming through the LISC. Most CLC's were still
12 testing, had test orders in the system, no live orders.
13 Talking with members of the LISC who talked with each
14 individual CLC, it was my understanding that they were
15 still having -- the CLC's were still having system
16 problems and were not ready for issuing large orders.

17 Q. Is it your best recollection that this revision

18 was issued on November 6th?

19 A. Yes.

20 Q. And during what period of time was the analysis

21 done that led up to this -- this distribution of Revision

22 E?

23 A. I think, as I said before, it's the same type of

24 analysis, just analyzing what is happening in the local

25 markets, continually asking anybody that has contact with
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1 the CLC's, you know, if they have any information that

2 would help to forecast better. If anyone knew of any of

3 their plans, if anyone got any forecasts. You know,

4 looking at advertising, was there any done, that type of

5 analysis. So it's just not a one point in time. It's a

6 day-by-day, it's always continually analyzing and looking

7 at what's happening in the marketplace.

8 Q. Do you know when the team met prior to the

9 issuance of the November 6th revision?

10 A. I would have to guess, probably once in

11 September and once in October.

12 Q. Is it a guess that those meetings even occurred,

13 or are you reasonably certain that they occurred, you just

14 don't know the precise dates?

15 A. I don't know the precise date, but during 1996,

16 we met regularly, like once a month. We had sort of

17 preset meeting times to review the forecast and review --

18 Q. The fact that this Revision E was dated November

19 6th, does that give you any indication as to when the last

20 prior meeting, prior to issuance of the revision, may have

21 occurred?

22 A. Probably the end of October some time.

23 Q. Was it generally your practice to try to issue

24 the revised forecast within a week or so?

25 A. One to two weeks after.

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1 Q. After the meeting?

2 A. Right.

3 Q. So it would be your best recollection that there

4 was a meeting that took place, probably the last half of

5 October, that led to the promulgation of this Revision E?

6 A. Yes.

7 Q. And in terms of the inputs that went into this

8 revision, did you say that you, at that point, looked at

9 any CLC forecasts?

10 A. At that time, the only forecast, CLC forecast, I

11 looked at -- I did receive one that I am aware of --

12 MR. KOLTO-WININGER: Why don't you not mention

13 names, and no numbers.

14 THE WITNESS: Okay. I had only seen one

15 forecast.

16 MR. ETTINGER: If you want -- I don't have a

17 problem with naming the company, if it's ours.

18 THE WITNESS: Oh, AT&T had issued a one-month

19 forecast.

20 MR. McDONALD: Q. You looked at that some time

21 in October; is that your recollection?

22 A. Yes.

23 Q. Did the team look at the actual orders that the

24 LISC was processing during the month of October?

25 A. Yes. I mean, we would bring that information,
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1 looking at -- I can't recollect what the level was, but it

2 would be like, so many live orders or so many test orders,

3 of what was in the system.

4 Q. And do you know, as such, what date that

5 information was for what went into Revision E?

6 A. Well, the LISC at that time, they had like --

7 not monthly but weekly tracking of orders, so it was

8 probably only a week old.

9 Q. This tracking of orders, was that something that

10 you regularly received?

11 A. Not on an ongoing basis, but I knew the person

12 who tracked, so whenever I looked at that information, I

13 would go over and find that information from that person.

14 Q. Who was the person who tracked the LISC?

15 A. Well, there was -- I don't remember his name. I

16 knew where he sat, and it was a person that -- because

17 that function changed from several different people. I

18 just knew where he sat, and I would go over there.

19 Q. Did he sit at the LISC?

20 A. Yes.

21 Q. I am not sure I obtained from you -- what's your

22 base address?

23 A. It's 370 Third Street. I am on the same floor

24 the LISC is on.

25 Q. Okay. In connection with preparation of

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1 Revision E, did the team consider any backlog of orders
2 that were pending at the LISC?

3 A. No.

4 Q. Was the team aware of any backlog of orders at
5 the LISC?

6 A. No.

7 Q. And in the preparation of Revision E, did you or
8 anyone on the team, to your knowledge, have any
9 discussions with Jerry Sinn or Ann Long about the LISC
10 processes?

11 A. What kind of processes? You mean ordering
12 process or --

13 Q. Did you have any discussions with either of
14 those two individuals regarding the volume of orders that
15 were being received and the LISC's ability to process
16 those orders timely?

17 A. No, I had none.

18 Q. So this revision was done based upon tracking
19 information that, in part, that the team received from the
20 LISC, and you think that may have been as of some time in
21 mid-October; is that a fair statement?

22 A. Yes.

23 Q. Do you have documents somewhere that show what
24 was used?

25 A. I don't think I do. I would go over and ask how
0057

1 many orders -- how many lines -- whatever, how many lines
2 do you have processed or billed, and just get an idea of

3 the level of the number of lines. So I don't have
4 documented -- but it was just, like he told me X, I said
5 okay.

6 Q. So what you inquired of at the LISC was the
7 total number of migrated lines as of a certain date?

8 A. Yes.

9 Q. And you did not inquire as to the number of
10 pending orders or the LISC's ability to process those
11 orders?

12 A. No.

13 MR. KOLTO-WININGER: Off the record. Can we do
14 some planning?

15 MR. ETTINGER: Yes.

16 (Recess taken.)

17 MR. McDONALD: Q. In the development of these
18 various forecasts, what's been marked Exhibits 11 through
19 15, did you use, or the team use, any written procedure
20 for the development of these forecasts?

21 A. No.

22 Q. Is there within Pacific Bell, to your knowledge,
23 a written procedure that explains how to prepare a
24 forecast such as this?

25 A. No.

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1 Q. And do you know why that is?

2 A. I believe this is a totally new market, totally
3 new area. There is no one way to forecast a totally
4 unknown area of product mix, let alone, there is no one
5 way to forecast any type of product.

6 Q. And so that I am clear, in terms of the inputs
7 that you used, you had to make a variety of assumptions,
8 as I think you already testified to, and the inputs that
9 you used to try to develop these forecasts included trying
10 to assess what was going on in the marketplace, what the
11 CLC's were apprising Pacific Bell as to their expected
12 needs, and the actual number of lines that had been
13 migrated during the period of time that the LISC was
14 operational; is that right?

15 A. Yes.

16 Q. But you did not consider the volume of orders
17 that had been submitted to the LISC; is that correct?

18 A. Yes.

19 Q. And you had no discussions with people
20 responsible for the LISC as to any backlog of orders that
21 were pending?

22 A. No. The volumes of lines were so small, it
23 didn't even come into my mind that there would be a
24 backlog, if there was one.

25 Q. So when you were preparing the forecast, you did
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1 not consider that the LISC capacity might act as an
2 impediment upon the actual lines that were in-service?

3 A. No.

4 Q. What was marked Exhibit 10, the Notice of
5 Deposition -- and I'd just like to run -- do you see the
6 items -- the paragraph that starts just before the
7 indented A, B, C, and D?

8 To your knowledge, are there documents that
9 exist that set forth any aggregate industry resale order
10 volume forecasts or in-service forecasts?

11 A. I don't know of any order volume forecast. This
12 is the resale line forecast. These are official
13 forecasts.

14 MR. KOLTO-WININGER: Let me clarify also.
15 Correct me if I'm wrong, but I believe you're asking for
16 aggregate of C --

17 MR. McDONALD: CLC's.

18 MR. KOLTO-WININGER: -- Industry supplied resale
19 order volume forecasts, and then go ahead and answer what
20 your answer is to that.

21 THE WITNESS: Oh, okay. No. For all of 1996, I
22 only saw one CLC forecast for resale lines, and my
23 processes that I would only supply to the other members of
24 the team. I rolled up volume, or I rolled up aggregate
25 level, and since it was only from one CLC, I didn't even
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1 bother. And at that time, the CLC kept coming back every
2 week saying, oh, this is to happen next week, next week,
3 next week, and it never happened.

4 MR. McDONALD: Q. Now, as to the forecasts that
5 you provided, what's been marked Exhibits 11 through 15,
6 are those, to your knowledge, the forecasts that address
7 Pacific Bell's projections for resale in-service lines
8 during 1996 and through March of 1997?

9 A. Yes.

10 Q. So am I correct to understand there has been no

11 revised forecast since the November 6th, 1996, forecast
12 that was marked Exhibit 15?

13 A. I did a revised forecast at the end of February,
14 but that did not -- I had started looking at the end of
15 April on to the rest of this year.

16 Q. Has that forecast been completed?

17 A. Yes.

18 Q. And is that Revision F at this point?

19 A. Yes.

20 Q. And you didn't provide that because we were only
21 looking through March?

22 A. Correct.

23 Q. Do you see item C asks for documents that are
24 descriptions of the methodology or calculations used to
25 arrive at these forecasts. Now, you haven't provided any
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1 underlying calculations that form the basis for these
2 forecasts, have you?

3 A. No.

4 Q. And do such documents exist?

5 A. No.

6 Q. Well, don't you -- I mean, I think your
7 testimony was that in order to --

8 A. Well, we did -- well, go ahead.

9 Q. Let me ask a question. In order to do these
10 forecasts, you took some Pacific Bell retail numbers and
11 applied a percentage to them?

12 A. Right.